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8 Practice Administrator for  
9 The Law Offices of  
10 Charles E. Logan

11 UNITED STATES BANKRUPTCY COURT  
12 NORTHERN DISTRICT OF CALIFORNIA  
13 SAN JOSE DIVISION

14 In re TELEPATH CORPORATION ) Bankruptcy No. 03-56788-ASW11  
15 ) Chapter 11  
16 Tax ID: 94-2678653 )  
17 Debtor. ) **Hearing:**  
18 ) Date: 4/24/2009  
19 ) Time: 1:15 p.m.  
20 ) Judge: Hon. Arthur S. Weissbrodt  
21 )

22 **PRACTICE ADMINISTRATOR STATEMENT REGARDING COMPENSATION**  
23 **OF THE LOGAN LAW OFFICE AS ATTORNEYS FOR THE DEBTOR**

24 Campeau Goodsell Smith ("CGS"), the Debtor's current counsel, has filed a final  
25 application requesting for compensation for services rendered since CGS substituted in as  
26 attorneys for the Debtor. Elaine M. Seid of McPharlin Sprinkles & Thomas, LLP ("Practice  
27 Administrator"), the duly appointed Practice Administrator for the Law Office of Charles E.  
28 Logan, hereby submits this related statement regarding the compensation of the Logan Law  
Office as attorneys for the Debtor in order to provide the Court with a fuller context upon  
which it should consider the professional compensation requested in this case.

1. Charles E. Logan died on September 12, 2008. The Practice Administrator  
was appointed by the Probate Court for the purpose of closing Mr. Logan's law practice, the

1 Logan Law Office. The Practice Administrator's tasks include collecting the assets of the  
2 Logan Law Office including any account receivables due for professional services rendered.

3         2. The Logan Law Office commenced the above captioned Chapter 11 case on  
4 October 20, 2003, for the primary purpose of staying state court litigation taken by Peter  
5 Ajlouny and Andrew Ajluni (the "Ajlouny Parties") to appoint a receiver to take over the  
6 operations of both Debtors. The dispute with the Ajlouny Parties was litigated and  
7 ultimately compromised and settled by the Logan Law Offices during this Chapter 11 case.  
8 Additionally, the Logan Law Office initiated four adversary proceedings for the Debtor to  
9 recover property and or money.  
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11         3. The Logan Law Office continued to represent the Debtor until Mr. Logan's  
12 death in September 2008.  
13

14         4. The Practice Administrator is informed and believes the Logan Law Office  
15 received an initial retainer of \$25,000 and possibly additional advances for costs but never  
16 filed an application for compensation in the above captioned case.  
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18         5. The Practice Administrator is informed and believes that Mr. Logan estimated  
19 the Logan Law Offices' fees earned in the above captioned Chapter 11 case to be in the  
20 range of \$250,000.  
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22         6. The Practice Administrator is informed and believes the Exhibits attached to  
23 the Disclosure Statement filed herein were prepared for or by the Logan Law Offices.  
24 Exhibit 3, the liquidation analysis, states the estimated fees of the Logan Law Offices to be  
25 \$250,000. Exhibit 2, the pro forma for Debtor's operations after Plan confirmation of reflect  
26 the Debtor is to pay the Logan Law Offices deferred payments of \$1,000 per month until  
27 March 2012 when the monthly payments increase to \$2,500 until December 2012, for a total  
28

1 of \$61,000. From Exhibit 2 one could infer the Logan Law Office was agreeable to  
2 accepting deferred payment for a portion of its fees.

3 7. The Practice Administrator will be preparing and filing an application for  
4 compensation for the Logan Law Office based upon the time records, pleadings and other  
5 materials available to her.  
6

7 8. While not specifically objecting to CGS's final application for compensation  
8 the Practice Administrator did wish to make the Court and the Debtor aware that additional  
9 compensation will be requested by the Logan Law Offices for services rendered to the  
10 Debtor during the approximate five (5) years it represented the Debtor.  
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14 Dated: April 17, 2009 McPHARLIN SPRINKLES & THOMAS, LLP  
15

16 By: /s/ Elaine M. Seid  
17 ELAINE M. SEID  
18 PRACTICE ADMINISTRATOR  
19 FOR THE LAW OFFICES OF  
20 CHARLES E. LOGAN  
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